because of several factors that are external to the basic FDI regime such as acquisition of land, obtaining various statutory clearances, tying up funding arrangements etc. which are time consuming.

Besides international factors such as' global market conditions and trade fundamentals, which determine major investment decisions, are also responsible to some extent. With a view to facilitating FDI inflows, prior approval of RBI for FDI proposals under automaticFIPB route has been dispensed with and Indian companies have been given general permission under FERA to receive inward remittance of foreign exchange, subject to the condition that they file the required documents with RBI within 30 days of issue of the shares.

**Diversion of Funds**

2806. SHRI CO. POULOSE: Will the Minister of INDUSTRY be pleased to state:

(a) whether during the years of New Economic Policy, capital investment for promotion of Industries has been negligible;

(b) whether the budget allotment for Industial Promotion was diverted for National Renewal Fund and this National renewal fund was spent for Voluntary Retirement Schemes; and

(c) what are the year-wise budget provisions for Industry, the money spent for

Capital Development of Industry and the amount spent for Voluntary Retirement of workmen?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) No, Sir.

(b) National Renewal Fund started as a new scheme in the year 1992 and additional budget allocations were made for it.

(c) During the years 1996-97 to 1998-99, the information relating to Budget Provisions for Departments of Industrial Development, Industrial Policy & Promotion and Small Scale Industries &' Agro & Rural Industries, and for National Renewal Fund alongwith Amount spent on Voluntary Retirement Scheme (VRS) and Capital Expenditure on Industry is furnished as a Statement.

**Statement**

(Rs. in crores)

| Year | Budget Allocations | | Spent | Amount on VRS | Capital Expenditure in Industry |
|---|---|---|---|---|---|
| | Deptt, of ID&IPP & SSI&ARI | Out of (2) Allocation of NRF | | | |
| 1996-97 | 1130.94 | 150.00 | | 188.00 | 277.04 |
| 1997-98 | 1529.77 | 306.91 | | 326.67* | 290.84 |
| 1998-99 | 1598.53 | 300.00 | | ** | 289.0S£ |

* Provisional
** Not yet available
£ Budget Provision